

# JE'S TAX BULLETIN

JACK EIGENMACHT CHARTERED ACCOUNTANT PROFESSIONAL CORPORATION

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## **Maximum Pensionable Earnings for 2009**

OTTAWA, NOVEMBER 3, 2008...The Canada Revenue Agency announced today that the maximum pensionable earnings under the Canada Pension Plan (CPP) for 2009 will be \$46,300—up from \$44,900 in 2008. The new maximum pensionable earnings amount was calculated according to a CPP legislated formula that takes into account the growth in average weekly wages and salaries in Canada.

Contributors who will earn more than \$46,300 in 2009 will not be required or permitted to make additional contributions to the CPP.

The basic exemption amount for 2009 remains \$3,500. Individuals who earn less than that amount do not need to contribute to the CPP.

The employee and employer contribution rates for 2009 will remain unchanged at 4.95%, and the self-employed contribution rate will remain unchanged at 9.9%.

The maximum employer and employee contribution to the plan for 2009 will be \$2,118.60, and the maximum self-employed contribution will be \$4,237.20. The maximums in 2008 were \$2,049.30 and \$4,098.60.